



STATE OF ARKANSAS  
SECURITIES DEPARTMENT  
HERITAGE WEST BUILDING, SUITE 300  
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LITTLE ROCK, AR 72201



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## CI Form 007

### DEPOSIT IN LIEU OF SURETY BOND UNDER THE SALE OF CHECKS ACT OF ARKANSAS

**THIS CONTRACT AND AGREEMENT**, entered into this \_\_\_\_\_ day of

\_\_\_\_\_, \_\_\_\_\_, between \_\_\_\_\_, a

\_\_\_\_\_  
(Trust, Corporation, Individual, Joint Stock Association, Partnership or Unincorporated Association)

organized under the laws of the State of \_\_\_\_\_ and

doing business in the State of Arkansas (hereinafter called the "Licensee"), and the State  
Securities Commissioner of the State of Arkansas (hereinafter called the ("Commissioner").

### W I T N E S S E T H

WHEREAS, the said Licensee is subject to the Act regulating the sale or issuance of  
checks, drafts, money orders or other written instruments for the transmission or payment of  
money or credit which Act entitled the "Sale of Checks Act" of Arkansas, and

WHEREAS, said Act provides for the deposit of securities, with a market value equal to  
the amount of a required surety bond in lieu thereof, and

WHEREAS, the Commissioner may provide for custody of such securities by any qualified trust company or bank located in the State of Arkansas or by any Federal Reserve Bank (hereinafter called the "Custodian"), and the Commissioner hereby designates

\_\_\_\_\_ having its principal place of business in \_\_\_\_\_ as Custodian, and

WHEREAS, the Commissioner has agreed to accept a deposit of securities in lieu of a surety bond and has agreed that \_\_\_\_\_ is qualified to act as Custodian.

NOW, THEREFORE, in consideration of these premises, the Licensee deposited with the Custodian the following securities:

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and it is agreed between the parties hereto:

1. Subject to the provisions herein contained, these securities are deposited to secure payment to any creditor or claimant of the Licensee for any liability incurred on any checks as defined in the aforesaid Act.

2. The securities deposited may be exchanged from time to time for other securities, receivable as foresaid, that qualify under the provision of the Act relating to this deposit providing the market value of all securities deposited hereunder is at least equal to the amount of a required surety bond in lieu thereof.
3. All interest or dividends on all securities deposited shall be payable to or in accordance with the instructions of the Licensee, unless and until the Commissioner gives contrary notice to the Custodian, which notice shall be in writing and supported by the certified copy of an order of a court of a competent jurisdiction which order by its terms prohibits receipt by said Licensee of such interest or dividends because of the insolvency of said Licensee.
4. The Licensee agrees that the Commissioner shall have the right from time to time to order the Custodian to sell, transfer, or otherwise dispose of any securities and to convert the same into cash and to pay and deliver any securities and cash to said Commissioner, all such instruction, however, from the Commissioner is to be in writing and supported by a certified copy of an order of a court of competent jurisdiction.
5. If the Licensee will faithfully conform to and abide by the provisions of the aforesaid Act and will honestly and faithfully apply all funds received and perform all obligations and undertakings for exchange issued and sold under said Act and will pay to the State and to any person entitled thereto all money that becomes due and owing to the State or to such person under the provisions of said Act because of any checks or exchanges

issued or sold in the State of Arkansas by the aforesaid principal under and by virtue of the provisions of said Act, then the Commissioner shall have no further right in or claim to the securities deposited.

6. The Licensee agrees to pay all charges by the Custodian, if any, for its services in connection with the agreement.
7. This agreement is executed in triplicate, one counterpart to be kept by each of the parties hereto and one counterpart to be kept by the Custodian.

Signed, sealed and delivered in triplicate this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

BY: \_\_\_\_\_

BY: \_\_\_\_\_  
STATE SECURITIES COMMISSIONER

\_\_\_\_\_, Custodian, hereby acknowledges receipt of the securities described in the foregoing agreement and covenants and agrees that the same will be held by it for the purposes and subject to the terms and conditions of said agreement, but reserves the right to resign as Custodian by giving thirty (30) days written notice to the signers of the agreement.

DATE: \_\_\_\_\_

\_\_\_\_\_  
BY: \_\_\_\_\_  
TRUST OFFICER